

## **FISCAL NOTE**

### **SB 693 - HB 706**

February 16, 2001

**SUMMARY OF BILL:** Amends current law to allow a sports authority which obtains an XFL franchise to retain the state and local sales tax revenue derived from the following sources: sales of admissions, food and drink sold on the premises of the stadium, parking charges, and related services. Revenues that are retained would be earmarked for retirement of debt on, and maintenance of, the stadium.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$21,000 One-Time**

**Decrease State Revenues - \$289,000 First Full Year**

**Decrease Local Govt. Revenues - \$118,000 First Full Year**

Estimate assumes:

- MIS System Implementation Costs - \$21,000 One-Time.
- A decrease in state and local sales tax revenues is estimated to occur since such revenues are currently being collected and this provides that such revenues will be retained by the sports authority.
- Decreased revenues at the current level; therefore, any additional state and local government sales tax revenues above the current level of collections will be foregone revenues to state and local governments.
- The average number of home games is 5.
- The average ticket price is \$25.
- The average attendance per game is 25,000 persons.
- The average price of each novelty item sold is \$24.
- The average number of novelty items sold per game is 10,000.
- The average number of concession items sold per game is 12,500.
- The average price of each concession item sold is \$10 per person per game.
- The average number of parking spaces rented per game is 6,250.
- The average price of a rented parking space is \$10.
- State sales tax rate of 6.0% with 0.5% earmarked specifically for education which will not be affected.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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